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Contact: Caroline Roux or Vladimir Dovijarov

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What's in It for Me: How Do We Encourage Generosity in Tough Times?

You're running late to work and see someone who needs assistance. Do you stop and help? You probably will if you think it will bring praise from others. According to a recent study in the <u>Journal of Consumer Research</u>, when resources (such as time or money) are scarce, benevolence is driven by our own potential gain.



"Previous research on generosity with limited resources had shown mixed results. Sometimes people became more giving when resources, such as money, were tight; at other times, with similar financial constraint, people became more selfish. We wanted to explore how the motive of personal gain would influence decisions to help others," write authors Caroline Roux (John Molson School of Business, Concordia University), Kelly Goldsmith (Kellogg School of Management, Northwestern University), and Andrea Bonezzi (New York University Stern School of Business).

In a series of studies, people made choices about helping others when their own resources were limited. In one study, people reminded of the global economic crisis (implying scarcity of money) donated less money to charity than those who had not been reminded of the troubled economy.

However, when people were also told that their donations would benefit themselves (as through income tax reduction), they were actually *more* generous than those who hadn't been exposed to reminders of financial limitations.

"When people are aware of resource scarcity, they're motivated to advance their own welfare. It may sound cynical, but by understanding the phenomenon and emphasizing that there's something 'in it for them' when they give, we can better encourage generosity when resources are limited," the authors conclude.

Caroline Roux, Kelly Goldsmith, and Andrea Bonezzi. "On the Psychology of Scarcity: When Reminders of Resource Scarcity Promote Selfish (and Generous) Behavior." Journal of Consumer Research: December 2015.

